

## DEPARTMENT OF FINANCE BILL ANALYSIS

**AMENDMENT DATE:** Original  
**POSITION:** Support  
**SPONSOR:** Administration

**BILL NUMBER:** SB 1368  
**AUTHOR:** Senate Health  
**RELATED BILLS:** AB 2248  
(Hernandez)

### **BILL SUMMARY:** Emergency Services; Health Facilities; Loan Insurance

This bill would: (1) require the Emergency Medical Services Authority to annually compile and report on county emergency funds; (2) authorize the Office of Statewide Health Planning and Development to collect and retain an advance on premiums paid through the California Health Facility Construction Loan Insurance Program; (3) authorize the loan insurance program to insure the refinancing of an existing loan as long as the loan balance does not exceed 90% of the construction cost; and (4) make other technical changes.

### **FISCAL SUMMARY**

This bill would cost an estimated \$47,000 General Fund for one-half time analyst to report on county emergency funds. We understand that amendments are being considered to eliminate these costs.

This bill would result in lower interest costs for nonprofit and publicly-owned medical facility projects and would allow the California Health Facility Construction Loan Insurance Program to provide loan insurance to two to three additional medical facility projects per year.

### **COMMENTS**

The Department of Finance understands that amendments are being considered to remove the minor administrative costs currently in the bill. With that stipulation, we support this Administration-sponsored bill because it would lower health facilities' construction loan costs and thereby potentially provide greater access to more participants.

A related bill, AB 2248 (Hernandez), would require counties with an Emergency Medical Services Fund to include in their annual report a description of each disbursement for "other emergency medical services," if funds were disbursed for this purpose.

Code/Department Agency or Revenue Type	SO	(Fiscal Impact by Fiscal Year)							
	LA	(Dollars in Thousands)							
	CO	PROP							Fund
	RV	98	FC	2010-2011	FC	2011-2012	FC	2012-2013	Code
4120/Emer Med Svc	SO	No	C	\$24	C	\$47	C	\$47	0001
4140/Stwd Hth Pln	SO	No		----- No/Minor Fiscal Impact -----					0001
4280/Managed Risk	SO	No		----- No/Minor Fiscal Impact -----					0001

Analyst/Principal (0562) T. Williams	Date	Program Budget Manager Lisa Ann L. Mangat	Date
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Department Deputy Director	Date
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Governor's Office:	By:	Date:	Position Approved _____
			Position Disapproved _____

**BILL ANALYSIS** Form DF-43 (Rev 03/95 Buff)